

RETAIL SERVICES AGREEMENT

MEMORANDUM OF AGREEMENT made the _____ day of _____, 20__

BETWEEN: **Retailer Name:** _____

Address: _____

Retailer Business Number: _____

(hereinafter called the "**Retailer**")

- and -

FortisAlberta Inc., a body corporate with its Head Office in the City of Calgary in the Province of Alberta ("**FortisAlberta**") acting as a wire services provider on behalf of _____ Rural Electrification Association Ltd. (the "**Association**")

WHEREAS FortisAlberta has been authorized by the Association to provide Distribution Access Service on the Association’s Distribution System to Members of the Association (the “**Members**”) and to Retailers and to act as wire services provider (FortisAlberta being also referred to herein as the “**WSP**”) on behalf of the Association;

AND WHEREAS the Retailer has requested the Association, through its WSP, to provide the Retailer with Distribution Access Service for the purpose of serving Member(s);

NOW THEREFORE in consideration of the covenants and agreements herein contained, the Retailer and the WSP hereby agree as follows:

1. Unless otherwise expressly provided in this Agreement, capitalized words, phrases and expressions in this Agreement will have the meanings ascribed to them as follows:
 - (a) "**Act**" means the *Electric Utilities Act* (Alberta) and any Regulations made thereunder, all as amended from time to time;
 - (b) "**AUC**" means the Alberta Utilities Commission, as constituted pursuant to the *Alberta Utilities Commission Act* (Alberta);
 - (c) "**Business Day**" means any day that is not a Saturday, Sunday or legal holiday in the Province of Alberta;
 - (d) "**Consumer**" means a person purchasing electricity for the person’s own use;
 - (e) "**Distribution Access Service**" has the meaning ascribed thereto in the Act;

- (f) **"Distribution System"** means the poles, conductors, switches, regulators, transformers, meters, hardware, and other components comprising electric substations, power lines, supporting structures, and associated equipment, owned by either the Association or the Company and used to provide electricity to Consumers, excluding "transmission facilities", as defined in the Act, and any equipment owned by Consumers;
 - (g) **"Facilities"** means any part or all of the physical plant used for the distribution of electricity, including, without limitation, distribution lines, transformers, meters, equipment and machinery;
 - (h) **"Member"** means a person that is a member of the Association in accordance with the provisions of the *Rural Utilities Act* (Alberta), as amended from time to time;
 - (i) **"Member Information"** means any and all information regarding a Member that may be required by the WSP to facilitate the provision of Distribution Access Service to such Member, including, without limitation, the location of the premises to be served, the Member's service requirements and preferred supply conditions, the manner in which the Distribution Access Service will be utilized, credit information, and reference information; and
 - (j) **"Owner"** has the meaning ascribed thereto in the Act.
2. The Retailer is solely responsible for the provision of accurate and timely Member Information to the WSP. The Retailer agrees to provide the following information to the WSP in an electronic format acceptable to the WSP, and represents and warrants that such information is true and accurate:
- (a) Retailer Identification No(s): Refer to Appendix A;
 - (b) Member Information, in a form acceptable to the WSP, for each Member of the Retailer.

Should any of the Member Information change during the term of this Retail Service Agreement, the Retailer shall advise the WSP of the change, by electronic means, as soon as is reasonably practicable in the circumstance, and in any event within five (5) Business Days of the Retailer becoming aware of the change. In addition, the WSP and the Retailer agree to exchange such Member Information as the other may require to perform its obligations under the Terms and Conditions, this Agreement, and applicable laws, including, without limitation, for the purpose of wholesale billing in accordance with the Billing Regulation (Alberta), as amended from time to time, and for the purposes set out in Part 2 of the Code of Conduct Regulation (Alberta), as amended from time to time. Both the WSP and the Retailer acknowledge and agree that such Member Information is strictly confidential and may not be disclosed or used by it for any purpose other than the purposes set out herein, and then, only in accordance with Part 2, Division 2 of the Code of Conduct Regulation (Alberta), as amended from time to time. The parties agree that

the provisions of this section shall survive termination of this Retail Service Agreement and shall continue in full force and effect to bind the parties.

3. This Retail Service Agreement is subject to the WSP's Terms and Conditions for Distribution Access Service - Retailer ("**Terms and Conditions**"), as amended from time to time, which are approved by the AUC and which Terms and Conditions may also be adopted by the Board of Directors of the Association for use by the Association. The Terms and Conditions are deemed to apply to the subject matter herein, and also take precedence over the terms and conditions of this Agreement if there is any conflict or inconsistency with the terms of this Agreement.
4. The Retailer acknowledges that it has been offered a copy of the Terms and Conditions and has reviewed and understands these Terms and Conditions and agrees to be bound by them and any amendments thereto, in all transactions with the WSP and the Members who are customers of the Retailer.
5. Except as may otherwise be approved by the AUC, no person, whether an employee or agent of the WSP or otherwise, can agree to change, alter, vary or waive any provision of the Terms and Conditions without the express approval of the Board of Directors of the Association.
6. The Retailer acknowledges that it has been offered a copy of the WSP's Retailer Guidebook and is aware of the policies and business practices of the WSP detailed therein.
7. This Retail Service Agreement shall be effective on the date first noted above, and thereafter shall remain in effect until terminated by any party in accordance with the Terms and Conditions. In addition to the rights which the Retailer otherwise has to terminate this Retail Service Agreement pursuant to the Terms and Conditions, the Retailer shall also be entitled to terminate this Agreement on providing the WSP with not less than thirty (30) days' notice of its intent to terminate this Retail Service Agreement. Upon termination of this Retail Service Agreement and the payment by the Retailer of all amounts due and owing by the Retailer to the WSP and to the Association, respectively, the WSP shall, if applicable, take such action as is within its power and which may be necessary and desirable to cause the release of the security granted to it by the Retailer pursuant to the Terms and Conditions.
8. The Retailer represents, warrants, covenants, and agrees with the WSP that all Retailer qualifications for Distribution Access Service as provided for in the Terms and Conditions have been met as of the date of this Agreement written above and will continue to be met at all times during the term of this Agreement. The WSP agrees that when executed by the Retailer and the WSP, it will promptly provide a copy of this Agreement to the Association for information purposes and upon receiving a copy hereof with receipt acknowledgment signed by the Association, provide a copy of this Agreement as so acknowledged to the Retailer.

9. The Retailer understands and agrees that the Distribution Access Service provided hereunder is provided solely for the Retailer's use at the locations specified, and for the Members identified, to the WSP in accordance with Section 2 hereof. The Retailer shall not use the Distribution Access Service provided by the WSP for any other purpose. The Retailer agrees with WSP that the Association will notify each Member who is a customer of the Retailer that such Member is bound by certain of the Terms and Conditions by virtue of the Association being an Owner, and that the failure of such Member to adhere or comply may result in such Member being disconnected from the electric system. The WSP hereby acknowledges and agrees that the Retailer shall be deemed to have satisfied such obligations by inserting a provision, substantively to the effect of the foregoing, into each electricity supply agreement it enters with those Members for and on behalf of which the Retailer is provided with Distribution Access Service by the WSP hereunder.
10. If the Retailer, at any time, becomes aware that any Member is using the service(s) provided by the Retailer or the Association in a manner which is inconsistent with the Terms and Conditions, or in a manner which could potentially create safety, health or environmental concerns, or which could cause damage to the Association's or the WSP's Distribution System or Facilities, the Retailer shall immediately notify the WSP of such circumstances.
11. The Retailer agrees to pay all rates, charges, invoices or fees levied or billed to it by the WSP in accordance with the Terms and Conditions. Payment shall be made in the form and manner directed by the WSP from time to time.
12. The Retailer acknowledges, understands and agrees that the WSP will not perform any billing or collection activities on its own behalf. The Retailer agrees to pay all amounts due and owing to the WSP in accordance with Article 9 of the Terms and Conditions, regardless of any billing or collection disputes the Retailer may have with Member(s) who are its customers.
13.
 - (a) The Retailer agrees to comply with the Prudential Requirements established pursuant to Article 6 of the Terms and Conditions and Sections 8 and 9 of the Distribution Tariff Regulation (Alberta), as amended from time to time, for purposes of enabling the WSP to assess the Retailer's credit risk and required security.
 - (b) The WSP shall be entitled to access the financial security provided by the Retailer in the event of late payment or default on any invoices or bills of the WSP, in accordance with Articles 6 and 9 of the Terms and Conditions.
14. This Retail Service Agreement is subject to all applicable legislation, including the Act and all applicable orders, rulings, regulations and decisions of the Alberta Utilities Commission or any other regulatory authority having jurisdiction over the WSP or the matters addressed herein. The Retailer specifically acknowledges the respective rights and obligations of the Association, the WSP and the Retailer in the event that any party

should default in the performance of its obligations under this Retail Service Agreement, as set out in the Terms and Conditions.

15. This Retail Service Agreement may not be assigned by the Retailer without the prior written consent of the WSP in accordance with the Terms and Conditions, which consent shall not be unreasonably withheld. This Retail Service Agreement shall enure to the benefit of and be binding and enforceable by the parties hereto and their respective executors, administrators, successors and, where permitted, assigns.
16. If any provision of this Retail Service Agreement, or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Retail Service Agreement and the application thereof other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity. No amendment to this Retail Service Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties hereto. No waiver of any breach of any term or provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.
17. Neither party may disclose any Confidential Information obtained pursuant to this Retailer Service Agreement to any third party, without the express prior written consent of the other party. As used herein, the term "Confidential Information" shall include all business, financial, and commercial information pertaining to the parties, customers of either party, suppliers for either party, personnel of either party, any trade secrets and other information of a similar nature, whether written or otherwise that is marked "proprietary" or "confidential" with the appropriate owner's name.

Notwithstanding the preceding, a receiving party may disclose Confidential Information to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling or order, providing that:

- (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and
 - (b) prior to such disclosure, the other party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.
18. All notices required hereunder shall be in writing and may be given personally, by facsimile or prepaid registered mail addressed to the party for which the notice is intended to its address designated hereunder or to such other address as may be substituted therefore from time to time. Any notice given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof; if given by registered mail, five (5) Business Days following the deposit thereof in the mail; and if

given by facsimile, on the day of transmittal thereof. If the party giving any notice knows or ought reasonably to have known of any difficulties with the postal system that might affect the delivery of mail, any such notice shall not be mailed but shall be given by personal delivery or facsimile.

The Retailer's address for notice is:

The WSP address for notice is:

FortisAlberta Inc.
320 17th Avenue SW
Calgary, Alberta T2S 2V1

Attention: _____
Facsimile: () -

Attention: Stakeholder Relations Manager
Facsimile: (403) 514-4905

This Retail Service Agreement may be executed by facsimile and in counterpart execution, with each such counterpart deemed to be an original and the counterparts taken together, constituting one and the same agreement.

IN WITNESS WHEREOF the parties have executed this Agreement as of the day first above mentioned.

FortisAlberta Inc.

Per:

Per:

Name:

Name: Rob Litzenberger

Title:

Title: Director Customer Relations

Per:

Name:

Title:

RECEIPT ACKNOWLEDGMENT

The Association hereby acknowledges receipt of a copy of this Agreement which has been provided for information purposes.

Date: _____

_____ Rural Electrification Association Ltd.

Per: _____

APPENDIX "A"

MEMORANDUM OF AGREEMENT made the _____ day of _____, 20__

APPENDIX "A" to the Retail Service Agreement between:

- and -

FortisAlberta Inc., a body corporate with its Head Office in the City of Calgary in the Province of Alberta ("**FortisAlberta**" or "**WSP**") acting as a wire services provided on behalf of _____ Rural Electrification Association Ltd.

RETAILER IDENTIFICATION NUMBERS

The following Retailer Identification numbers have been assigned by the Alberta Electric System Operation (AESO) to the Retailer noted above as of the effective date noted herein:

- (1) _____
- (2) _____
- (3) _____

The Retailer must notify the WSP (FortisAlberta) as promptly as reasonably practical of any additions or changes to the Retailer Identification Numbers.